



MARICOPA COUNTY ECONOMIC DEVELOPMENT GOALS



Presentation to the Economic Development Committee

December 14, 2010

Maricopa County FY 2011-2015 Strategic Plan

- ▶ **New strategic goals related to economic development:**
 - ▶ Increase per capita personal income relative to the U.S.
 - ▶ Increase share of regional employment in base industries.



Strategic Priority: Contribute to an effective regional economy

Strategic Goal:

Improve economic development results

By 2015, the share of employment in base or export industries, as measured by the percentage of jobs in high-tech manufacturing in the Greater Phoenix metro area, will increase to 3.2% of total employment in Maricopa County.

Why is This Important?

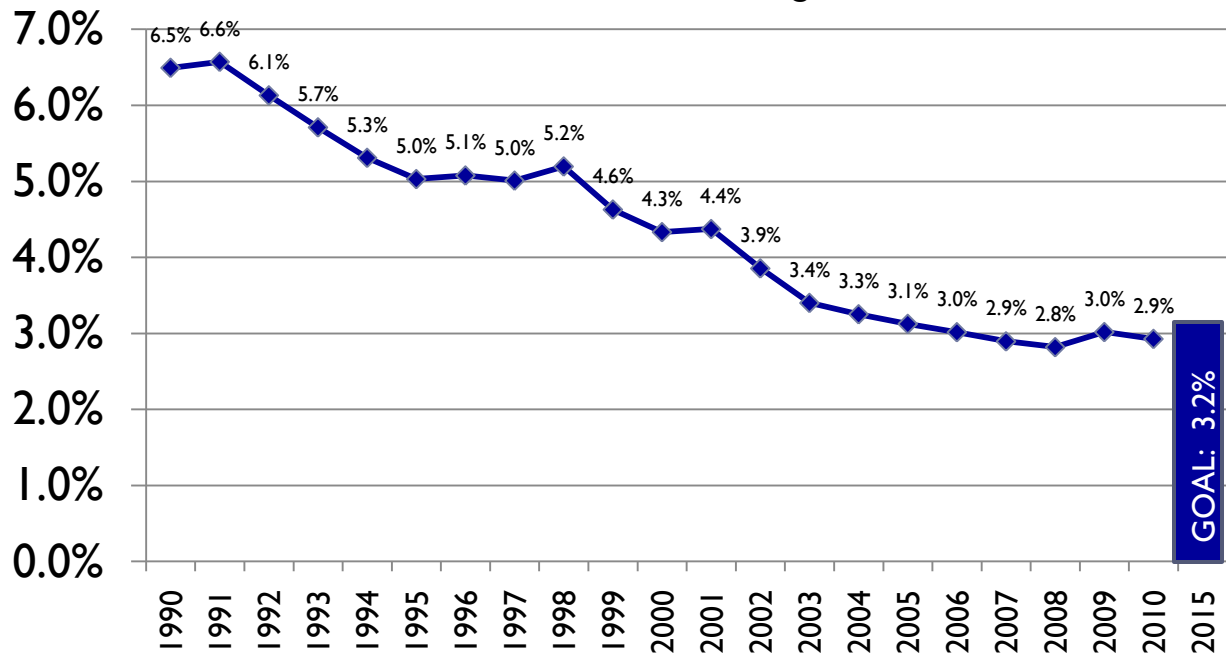
Key Issue: Economy

Economic conditions underlie many other issues facing County residents, as well as the ability of County government to direct resources to critical public services.

Where We Are:

A key to economic strength and prosperity is to have base industries (those that derive their income from exporting goods and services outside the region) make up a healthy share of the local economy. Base industries bring income into the region and are essential to economic growth. The decline in local employment in base industries must be stopped and reversed.

Percent of Greater Phoenix Employment in High-Tech Manufacturing



Maricopa County



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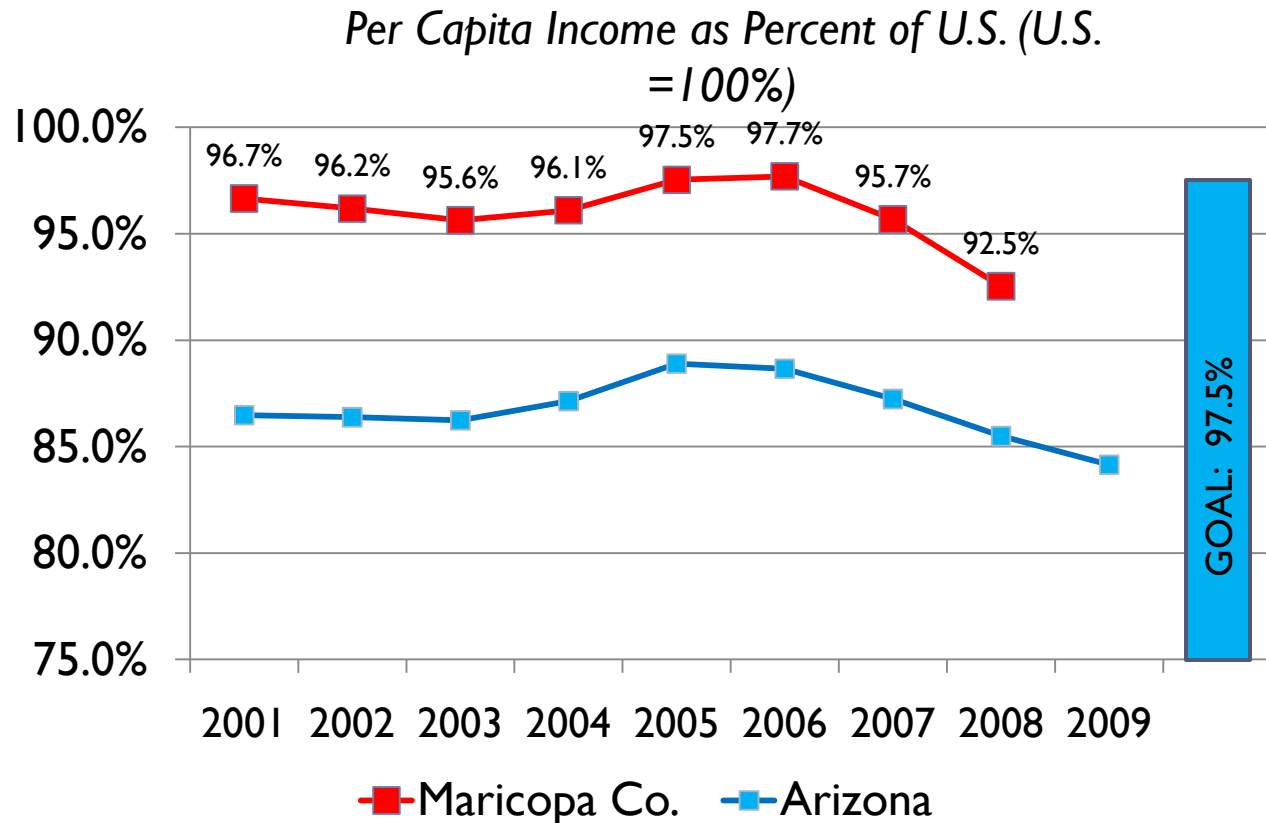
By 2015, Maricopa County per capita personal income will be 97.5% or more of the per capita personal income for the United States as a whole.

Key Issue: Economy

Economic conditions underlie many other issues facing County residents, as well as the ability of County government to direct resources to critical public services.

Where We Are:

Per capita personal income is a key indicator of the economic well-being of County residents. This graph displays the historical trend of Maricopa County per capita personal income as a percent of per capita personal income for the United States as a whole. Maricopa County's per capita personal income has declined in recent years relative to the rest of the United States. This goal is to restore the percentage to its previous peak, which would serve as a base for further improvement.



Maricopa County



Board of Supervisors' Resolution of Oct. 4, 2010

- ▶ County will provide funding for targeted economic development projects for job creation and retention.
- ▶ Projects may include financial assistance for infrastructure and/or job training for new businesses locations and expansion of existing businesses.
- ▶ Projects proposed and administered by a non-profit regional economic development agency.



Project Minimum Criteria

- ▶ **County financial assistance must meet the following criteria:**
 - ▶ Located within Maricopa County.
 - ▶ Result in additional County General Fund tax revenue that will create a one hundred percent return on investment within five years.
 - ▶ Eighty percent of business income must be derived from sale of goods and services exported from Maricopa County.
 - ▶ New jobs must have an average salary of at least one-hundred and twenty-five percent of the median wage for Maricopa County.
 - ▶ Business enterprise must be viable, must maintain commitment to the economy in Maricopa County for at least five years and meet performance expectations, be required to repay County funds .



Economic Development Committee

- ▶ Seven members
- ▶ Five persons, one appointed by each respective member of the Board.
- ▶ Two members appointed by the County Manager, one each from the Department of Finance and Office of Management and Budget.
- ▶ Committee members serve at the pleasure of their appointing authority for terms of two years.
- ▶ Committee governed through bylaws approved by the Board of Supervisors.
- ▶ Committee will develop agreement (subject to Board approval) with an appropriate non-profit regional economic development agency to identify and forward proposals.
- ▶ Committee may engage an independent outside consultant to assist with analysis of proposals, subject to availability of funds.



Project Review, Approval and Funding

- ▶ All proposals reviewed by the Economic Development Committee.
- ▶ Committee prioritizes recommended proposals within funding appropriated by the Board and available.
- ▶ Committee will analyze proposals to determine if they meet the appropriate criteria and present recommendation to the Board for decision.
- ▶ To optimize economic improvement, the Committee may coordinate proposals with the Industrial Development Authority.
- ▶ Funding will be appropriated from General Fund interest earnings; awards may not exceed amount appropriated or the amount of interest earnings actually received (estimated at up to \$7 m in FY 2011).



County Interest Earnings

- ▶ Revenue apportioned by fund at the close of each fiscal quarter.
- ▶ For July 1 through September 30, General Fund interest earnings totaled \$3.2 million.
- ▶ Next apportionment in early January.
- ▶ Board of Supervisors action required to release funds.

